

## DEPARTMENT OF THE ARMY

VICKSBURG DISTRICT, CORPS OF ENGINEERS 4155 CLAY STREET VICKSBURG, MISSISSIPPI 39183-3435

REPLY TO ATTENTION OF:

February 14, 2007

Planning, Programs, and Project Management Division Planning and Project Management Branch

Mr. Billy Orr, Chairman
Rankin-Hinds Pearl River Flood
 and Drainage Control District
P.O. Box 320069
Flowood, Mississippi 39232-0069

Dear Mr. Orr:

The purpose of this letter is to provide the Rankin-Hinds Pearl River Flood and Drainage Control District (RHPRFDCD) with the preliminary draft findings of the Pearl River Watershed feasibility study. We are still in the deliberative process; therefore, these findings are not for public release.

The RHPRFDCD and the U.S. Army Corps of Engineers, Vicksburg District, executed a Feasibility Cost-Sharing Agreement (FCSA) for this study on October 6, 2003. In accordance with the FCSA and the Project Management Plan (PMP), RHPRFDCD has provided the majority of the 50 percent non-Federal share of the estimated \$2,850,000 study cost by furnishing work-in-kind (WIK). This WIK was comprised mainly of environmental analysis, cultural resource surveys, and various engineering investigations to include the design quantities upon which the cost estimate in the report is based.

The study, at your request and as described in the PMP, was limited to two alternatives—the comprehensive levee plan proposed in 1996 and the LeFleur Lakes Plan. LeFleur Lakes has been proposed as the Locally Preferred Plan instead of the Corps

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previously recommended levee plan, which is the National Economic Development (NED) plan. Findings for these two plans are incorporated into the draft document enclosed for your review (enclosure 1).

Total project cost for the previously recommended levee plan is currently estimated at \$205,765,000. This plan remains economically feasible in accordance with Federal water resource Principles and Guidelines (P&G) with a benefit-cost ratio (BCR) of 1.2 and complies with environmental policy and NED objectives.

Total project costs for the LeFleur Lakes plan are presently estimated at \$1,428,775,000. This estimate includes 25 percent contingencies (appropriate for a feasibility study), real estate requirements, relocations of utilities, further engineering design activities necessary for contract award, construction, and construction management. This alternative will not produce NED outputs sufficient to support a recommendation for Federal investment in project implementation. Based on evaluations performed consistent with the P&G, the BCR for LeFleur Lakes is 0.2 to 1. However, implementation of LeFleur Lakes could result in Regional Economic Development outputs potentially supporting a non-Federal decision to implement the project.

Since the National Environmental Policy Act process has not been completed, it is premature to find that either plan is environmentally sustainable. Non-Federal implementation of the LeFleur Lakes plan would require additional engineering and design activities and a public interest review under Section 404 of the Clean Water Act. However, the levee plan conforms to Federal environmental objectives with its significantly less adverse impacts.

As we discussed on December 4, 2006, after you have reviewed the report, we are available to meet to address any remaining issues prior to study termination unless you choose to proceed with Federal implementation of the levee plan. We wish to

reiterate that until you inform us of your decision of which plan you will endorse, we are still in the deliberative process; therefore, these findings are not for public release.

A copy of this letter is being furnished to Mr. Barry Royals, Waggoner Engineering, Inc.

We appreciate your continued cooperation as we have experienced throughout our partnership on this study. If you need any additional information, please contact Mr. Gary Walker, Senior Project Manager (telephone (601) 631-5469).

Sincerely,

Douglas J. Kamien, P.E.

Chief, Planning, Programs, and Project Management Division

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